## **2SHB 1825** - H AMD **354**

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By Representative Anderson

## WITHDRAWN 3/13/2007

- 1 On page 2, after line 16, insert the following:
  - "Sec. 2. RCW 82.24.026 and 2005 c 514 s 1102 are each amended to read as follows:
    - (1) In addition to the tax imposed upon the sale, use, consumption, handling, possession, or distribution of cigarettes set forth in RCW 82.24.020, there is imposed a tax in an amount equal to the rate of thirty mills per cigarette.
    - (2) The revenue collected under this section shall be deposited as follows:
  - (a) 21.7 percent shall be deposited into the health services account.
    - (b) 2.8 percent shall be deposited into the general fund.
- 13 (c) 2.3 percent shall be deposited into the violence reduction 14 and drug enforcement account under RCW 69.50.520.
  - (d) 1.7 percent shall be deposited into the water quality account under RCW 70.146.030.
- (e) The remainder shall be deposited into the ((education legacy trust account)) local public health financing account created in section 5 of this act.
- 20 **Sec. 3.** RCW 28A.505.220 and 2005 c 514 s 1103 are each amended to read as follows:
  - (1) Total distributions from the student achievement fund to each school district shall be based upon the average number of full-time equivalent students in the school district during the previous school year as reported to the office of the superintendent of public instruction by August 31st of the previous school year.
  - (2) The allocation rate per full-time equivalent student shall be ((three hundred dollars in the 2005-06 school year, three hundred seventy-five dollars in the 2006-07 school year, and)) four

- hundred fifty dollars in the 2007-08 school year. For each subsequent school year, the amount allocated per full-time equivalent student shall be adjusted for inflation as defined in ((RCW 43.135.025(8))) this section. These allocations per full-time equivalent student from the student achievement fund shall be supported from the following sources:
- (a) distributions from state property tax proceeds deposited into the student achievement fund under RCW 84.52.068((; and
- (b) Distributions from the education legacy trust account created in RCW 83.100.230.
- (3) Any funds deposited in the student achievement fund under RCW 43.135.045 shall be allocated to school districts on a one-time basis using a rate per full-time equivalent student. These funds are provided in addition to any amounts allocated in subsection (2) of this section.
- (4) The school district annual amounts as defined in subsection (2) of this section shall be distributed on the monthly apportionment schedule as defined in RCW 28A.510.250.
- (5) "Inflation" means the percentage change in the implicit price deflator for the United States for each fiscal year as published by the federal bureau of labor statistics.
- **Sec. 4.** RCW 84.52.068 and 2005 c 514 s 1104 are each amended to read as follows:
  - (1) A portion of the proceeds of the state property tax levy shall be deposited into the student achievement fund as provided in this section.
  - (2)(a) The amount of the deposit shall be based upon the average number of full-time equivalent students in the school districts during the previous school year as reported to the office of the superintendent of public instruction by August 31st of the previous school year.
  - (b) For the ((2004-2005 through 2007-2008 school years, an annual amount equal to two hundred fifty-four dollars per full-time equivalent student in all school districts shall be deposited in the student achievement fund.
- 36 (c) For the 2008-2009 school year, an annual amount equal to two hundred sixty-five dollars per full-time equivalent student in

- 1 all school districts shall be deposited in the student achievement 2 fund.
  - $\frac{\text{(d) For the } 2009-2010}{\text{(d)}}$ ) 2007-08 school year, an annual amount equal to ((two hundred seventy-seven)) three hundred forty-five dollars per full- time equivalent student in all school districts shall be deposited in the student achievement fund.
  - ((\(\frac{1}{2}\)) For the 2010-2011 school year and each year thereafter, an annual amount equal to two hundred seventy-eight dollars per full-time equivalent student in all school districts shall be deposited in the student achievement fund.
- 11  $\frac{(f)}{(f)}$ )) (c) Each subsequent year following the 2007-08 school year, the amount deposited shall be adjusted for inflation as 12 13 defined in RCW 28A.505.220.
  - (d) The school district annual amounts shall be deposited based on the monthly apportionment schedule as defined in 28A.510.250. The office of the superintendent of public instruction shall notify the department of the monthly amounts to be deposited into the student achievement fund to meet the apportionment schedule."
- 20 Renumber the sections consecutively and correct any internal 21 references accordingly.
- 22 On page 3, line 15, after "treasury." insert "A portion of the proceeds from taxes on cigarettes must be deposited into the 23 24 account, as provided in RCW 82.24.026(2)."
- 25 Correct the title.

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EFFECT: Redirects certain cigarette tax revenues from the Education Legacy Trust Account into the new Public Health Financing Account created by the substitute bill. Eliminates the Education Legacy Trust Account contributions to the Student Achievement Fund that are attributable to cigarette tax Replaces the revenue reduction to the Student Achievement Fund with increased distributions from the state property tax.